

February 25, 2014

VIA ELECTRONIC MAIL

Lori Cora
Assistant Regional Counsel
U.S. Environmental Protection Agency
Region 10, ORC-158
1200 Sixth Avenue
Seattle, WA 98101

Re: Portland Harbor Superfund Site; Linnton Plywood Association ("LPA")
FRE 408 Confidential Settlement Communication

Dear Lori:

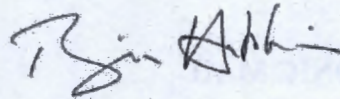
In anticipation of your meeting tomorrow with Andy Gregg on behalf of Linnton Water Credits, LLC, ("LWC") LPA's prospective purchaser (see the attached July 26, 2013 Assignment and Assumption of Purchase and Sale Agreement to LWC), I write to provide you with an update on the status of our submission to you of our modified settlement documents. By Friday the 28th, we plan to furnish the latest proposed Consent Decree which we have modified to reflect the terms of our LWC transaction that is currently scheduled to close on or before August 11, 2014. In addition, we will provide a draft Environmental Trust Agreement modeled after the Palermo Wellfield Trust (6-20-07) you earlier shared with us. This has become a logical structure for LPA to use in fulfilling its commitment to recover insurance policy proceeds for several reasons which we can discuss, the most important of which is more recently enacted Oregon legislation which makes possible assignment of the insured's rights under the policies. If not by Friday, then early next week, we will provide the updated financial information you have requested that describes LPA's current financial circumstances.

We expect you will learn from Andy Gregg the status of LWC's efforts to resolve its conditions to closing its LPA transaction as you discuss the topic of DSAYS and section 404 water quality credits.

Lori Cora
February 25, 2014
Page 2

We look forward to working with you to get LPA's long considered settlement with EPA and the Trustees in place.

Very truly yours,
LANE POWELL PC

A handwritten signature in black ink, appearing to read "Bill Hutchison".

William P. Hutchison

Attachment

093907.0004/5948301.1